STAND. COM. REP. NO. 2111

Honolulu, Hawaii

FEB 0 7 2014

RE: S.B. No. 2518 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committee on Education, to which was referred S.B. No. 2518 entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize the State Public Charter School Commission (Commission) to assess fees to help offset its operating costs;
- (2) Clarify the legal status of an approved charter applicant;
- (3) Require an appropriation to be made to the Commission separate from, and in addition to, any appropriation made for facilities or per-pupil funding; and
- (4) Make various amendments to the charter school law for clarity and consistency.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Hawaii Public Charter Schools Network, Hoʻokakoʻo Corporation, and two individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

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Your Committee finds that in 2012, the Legislature passed Act 130, Session Laws of Hawaii 2012 (Act 130), which established a new charter school law that created a solid governance structure for Hawaii's charter school system with clear lines of authority and accountability to foster improved student outcomes. As a result of Act 130, Hawaii's charter school system leapt to fourteenth place in the National Alliance for Public Charter Schools' rankings. This measure builds on the progress made by Act 130, while addressing outstanding issues relating to funding for the Commission.

Your Committee recognizes that improving Hawaii's charter schools is a work in progress that will evolve as this measure moves through the legislative process.

Your Committee has amended this measure by:

- (1) Adding language to clarify that the Commission may assess fees to non-state entities and individuals to help cover its costs;
- (2) Adding language to clarify that a charter school authorizer has the power to make and execute contracts and other instruments necessary and convenient to carry out its duties and functions;
- (3) Clarifying that public meeting notices, agendas, and minutes and lists of governing board members and officers shall be posted in a public area in the charter school's office and on the charter school's website, rather than the office and website of the governing board, respectively;
- (4) Adding language to clarify that a charter school's governing board has the power to make and execute contracts and other instruments necessary and convenient to carry out its duties and functions;
- (5) Deleting language that would have repealed the requirement for the setting of annual performance targets by each charter school in conjunction with its authorizer to meet applicable federal, state, and authorizer expectations;

- (6) Changing the effective date to on July 1, 2014; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that the Commission and various charter school stakeholders are meeting to discuss the requirement for the setting of annual performance targets by each charter school in conjunction with its authorizer. If this measure is considered for passage by your Committee on Ways and Means, it may wish to take into consideration the outcome of these discussions and, if appropriate, amend this measure accordingly.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2518, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2518, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Education,

JILL N. TOKUDA, Chair

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Education EDU

Bill / Resolution No.:*	Committee Referral:			Date:	
SB2518 EDU,		, WAM	7	2/3/1	4
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)		X			
KIDANI, Michelle N. (VC)		,			X
GABBARD, Mike					
RUDERMAN, Russell E.		\times			
SLOM, Sam		X			
	•				
				:	
TOTAL		4	0	0	1
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes